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SAPIENS INTERNATIONAL CORP N V

Form 6-K

November 06, 2003

SECURITIES AND EXCHANGE COMMISSION
Washington D.C. 20549

FORM 6-K

REPORT OF FOREIGN ISSUER
PURSUANT TO RULE 13a-16 OR 15d-16 OF
THE SECURITIES EXCHANGE ACT OF 1934

FOR THE MONTH OF NOVEMBER 2003

SAPIENS INTERNATIONAL CORPORATION N.V.
(translation of registrant's name into English)

C/O LANDHUIS JOONCHI
KAYA RICHARD J. BEAUJON Z/N
P.O. BOX 837
WILLEMSTAD
CURACAO, NETHERLANDS ANTILLES
(599) (9) 7366277
(address of principal executive offices)

[Indicate by check mark whether the registrant files or will file
annual reports under cover Form 20-F or Form 40-F]

Form 20-F Form 40-F

[Indicate by check mark whether the registrant by furnishing the
information contained in this Form is also thereby furnishing the information to
the Commission pursuant to Rule 12g3-2 (b) under the Securities Exchange Act of
1934]

Yes No
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[SAPIENS LOGO]

SAPIENS INTERNATIONAL ANNOUNCES Q3 RESULTS

BACK TO PROFITABILITY. IMPROVED RESULTS OVER SECOND QUARTER OF 2003.
EXPECT TO SEE CONTINUED IMPROVEMENT.

Research Triangle Park, N.C.--November 3, 2003 --Sapiens International
Corporation N.V. (NASDAQ and TASE: SPNS) today announced its unaudited results
of operations for the third quarter and nine months ended September 30, 2003.

Compared to the previous quarter of 2003, the Company reported a small overall
improvement in the third quarter of 2003. Revenues remained at \$13.4 million
while gross profit increased 6.7% from \$6.0 million to \$6.4 million and the
gross profit margin improved 6.7% from 44.7% to 47.7%. The Company reported
operating income of \$0.3 in the third quarter of 2003 compared with operating
loss of \$0.2 million in the previous quarter, and net income of \$0.04 million
compared with a net loss of \$0.4 in the previous quarter.

Compared to the third quarter last year, revenues in the third quarter of 2003
decreased from \$16.6 million to \$13.4 million. Gross profit was \$6.4 million in
the third quarter compared with \$7.4 million in the same period last year, while
gross profit margin increased to 47.7% compared to 44.6% in the same period last

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year. Operating income amounted to \$0.3 million compared with operating loss of \$0.2 million in the same period of last year. The Company recorded net income of \$0.04 million compared with a net loss of \$0.6 million in the same period of last year.

Revenues for the nine months ended September 30, 2003 decreased to \$38.8 million from \$48.9 million in the same period in 2002. Gross profit in the first nine months of 2003 was \$17.0 million compared with \$21.9 million in the first nine months of 2002. Gross profit margin was 43.8% compared with 44.8% in the same period last year. The Company's operating loss in the first nine months of 2003 was \$2 million compared with operating income of \$0.8 million in the same period last year. Net loss in the first nine months of 2003 was \$2.3 million compared with net loss of \$0.3 million in the same period last year.

Commenting on the results, Mr. Itzick Sharir, President and Chief Executive Officer, said: "I am proud that the Company has been able to regain profitability on the strength of continued quarterly improvement in results. We expect to demonstrate continued improvement in revenues and profitability in the fourth quarter of this year. At the same time, we are starting to see the fruits of our long-term strategy. Our new offering to the insurance industry - Sapiens INSIGHT(TM) Solutions suite - is generating a high degree of interest on the part of insurance companies that need to control costs and modernize their systems. We are gaining market awareness and recognition, expanding our offering and beginning to see new customers joining our established customer base."

Q3 2003 CONFERENCE CALL:

Sapiens International will hold a CONFERENCE CALL to discuss the results on MONDAY, NOVEMBER 3, 2003, AT 09:00AM (EST)

To participate, please call:
From the US and Canada: 1-866-485 2399
From the UK: 0-800-917 4613
International callers: + 972-3-9180610
10 minutes prior to start time

FOR ADDITIONAL INFORMATION:

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ABOUT SAPIENS

Sapiens International Corporation (NASDAQ and TASE: SPNS), a member of the Formula Group of companies, is a leading global provider of proven IT solutions that modernize business processes and enable insurance organizations to adapt quickly to change. Sapiens' innovative solutions are widely recognized for their ability to cost-effectively align IT with the business demands for speed, flexibility and efficiency. Sapiens operates through its subsidiaries in North America, United Kingdom, EMEA and Asia Pacific and has partnerships with market leaders such as IBM and EDS. Sapiens' clients include Allianz Group, AXA, Liverpool Victoria, Menora, Norwich Union, OneBeacon, Principal Financial,

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Prudential, Abbey National, ING, Occidental Fire & Casualty, among others. For more information, please visit <http://www.sapiens.com>.

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Except for historical information contained herein, the matters set forth in this release are forward-looking statements that are dependent on certain risks and uncertainties, including such factors, among others, as market acceptance, market demand, pricing, changing regulatory environment, changing economic conditions, risks in new product and service development, the effect of the Company's accounting policies and other risk factors detailed in the Company's SEC filings.

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SAPIENS INTERNATIONAL CORPORATION N.V.
Condensed Consolidated Statements of Income
(U.S. Dollars in thousands, except per share amounts)

	For the		n
	three months ended		
	9/30/2003	9/30/2002	9/30
	(Unaudited)	(Unaudited)	(Unau
REVENUES			
Products	\$ 8,946	\$ 11,071	\$ 23
Consulting and other services	4,461	5,500	15
	-----	-----	-----
Total revenues	13,407	16,571	38
	-----	-----	-----
COST OF REVENUES			
Products	4,598	6,334	13
Consulting and other services	2,416	2,847	8
	-----	-----	-----
Total cost of revenues	7,014	9,181	21
	-----	-----	-----
GROSS PROFIT	6,393	7,390	17
EXPENSES			
Research and development, net	508	1,592	2
Selling, marketing, general and administrative	5,558	5,973	16
	-----	-----	-----
OPERATING INCOME/(LOSS)	327	(175)	(2)
Financial expenses, net	291	378	
Other expenses/(income), net (a)	(6)	26	
	-----	-----	-----
NET INCOME/(LOSS)	\$ 42	\$ (579)	# \$ (2)

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	=====	=====	=====
Basic and diluted earnings/(loss) per share (b)	\$ 0.00	\$ (0.08)	\$ (
	=====	=====	=====
Weighted average shares used to compute			
Basic earnings/(loss) per share	10,694	7,292	10
Diluted earnings/(loss) per share (b)	12,856	7,292	10

Note (a): Includes taxes and minority interest
(b): Due to the net loss in 2003 and 2002 the inclusion of dilutive securities would be antidilutive.

SAPIENS INTERNATIONAL CORPORATION N.V.

Condensed Consolidated Balance Sheets
(U.S. Dollars in thousands)

	9/30/2003	12/31/2002
	-----	-----
	(Unaudited)	(Audited)
ASSETS		
Cash	\$18,026	\$22,001
Short-term investments	2,159	1,652
	-----	-----
	20,185	23,653
Trade receivables	9,975	10,405
Other current assets	7,065	5,842
	-----	-----
TOTAL CURRENT ASSETS	37,225	39,900
	-----	-----
Property and equipment, net	3,112	3,426
Other assets	23,394	21,826
	-----	-----
TOTAL ASSETS	\$63,731	\$65,152
	=====	=====
LIABILITIES AND SHAREHOLDERS' EQUITY		
Short-term loans and current maturities of long-term debt	\$10,944	\$ 9,483
Trade payables	2,240	2,578
Other liabilities and accrued expenses	14,059	14,541
Deferred revenue	4,061	3,683
	-----	-----
TOTAL CURRENT LIABILITIES	31,304	30,285
	-----	-----
Long-term debt and other liabilities	7,601	7,787
Redeemable shares in a subsidiary	11,424	11,185
Shareholders' equity	13,402	15,895
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TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	\$63,731	\$65,152
	=====	=====

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SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

SAPIENS INTERNATIONAL CORPORATION N.V.
(Registrant)

Date: November 5th, 2003

By: _____
Norman Kotler
General Counsel and
Corporate Secretary